

### **NRIs on the Board of Air India And Indian Airlines**

\*382. DR. GOPALRAO VITHAL-RAO PATIL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether any special Non-Resident Indians (NRIs) were appointed as invitees to the Joint Board of Air India and Indian Airlines; and

(b) if so, what steps have been taken to remove the illegal NRIs.

THE MINISTER OF CIVIL AVIATION (SHRI ANANTH KUMAR): (a) and (b) In June, 1997, a decision was taken that three NRIs be nominated to attend the meetings of the Board of Directors of Air India Limited and Indian Airlines Limited as special invitees. This decision has been reversed on 27.4.1998.

SHRI V AY ALAR RAVI: Sir, I would like to make a suggestion. In part (b) of this question they have written 'illegal NRIs'. Sir, they are all respected persons. They are not illegal NRIs. The 'illegal' word may be deleted. We should not call them illegal.

DR. GOPALRAO VITHALRAO PATIL: Sir, it has been widely reported in the Press in the last few weeks that some NRIs have been appointed to the Joint Board of Air India and the Indian Airlines.

I would like to know what their expertise is, what their resourcefulness is, that they were appointed on the Board. Are there no such experts in our own country? Who has appointed these people and how many of them are there? Or is it a case that devils rush in where angels fear to tread?

SHRI ANANTH KUMAR: This idea of appointing three NRI members on the Joint Board of Air India and Indian Airlines was conceived on 28.3.97 ...*(Interruptions)* Mr. Vayalar Ravi, it should be special invitees. I stand corrected.

But the same decision, when it was sent to the PMO and got assented to immediately, that is, within a week, was reviewed by the ACC and it was sent back with the comment that such a thing was not required. But then the special invitees continued. This decision was reversed on 27.4.98 and they are no more the permanent invitees on the Joint Board

Dr. GOPALRAO VITHALRAO PATIL: But who had appointed them and what was their special qualification?

MR. CHAIRMAN: You move on to your next supplementary.

DR. GOPALRAO VITHALRAO PATIL: Sir, I welcome that the decision has been reversed. But I would like to know whether the Board has been restructured now.

I would like to know whether care will be taken in future so that we can avoid such people getting invited as ex-officio members.

SHRI ANANTH KUMAR: Sir, I entirely agree with the concern of the hon. Member that such appointments on the Board should be made considering the merit and the consent on confidentiality. Therefore, care will be taken whenever we go in for restructuring in future.

**श्री संतोष बागड़ोदिया:** सभापति महोदय, मैं मंत्री जी से जानना चाहता हूँ कि जहाँ तक इंडियन एयर लाइन्स का सवाल है, उनका इरादा क्या है? इरादे से मेरा मतलब यह है कि जो ट्रेवलिंग पब्लिक है, उसकी सुविधा के लिए काम करना होता है। एन.आर.आई. को अपाईंट किसने किया, क्यों किया, यह भी एक ईशू बनाया गया है। उसके कारण एयर इंडिया और इंडियन एयरलाइन्स को क्या लाभ मिला है। यह सवाल बहुत महत्वपूर्ण है। लेकिन साथ में मैं यह जानना चाहता हूँ — इसी से रिलेटिड है कि उनको अगर इंडियन एयर लाइन्स और एयर इंडियाके लाभ के लिए किया वैसे ही जो ट्रेवलिंग पब्लिक है, उनके लाभ के लिए एयर इंडिया और इंडियन एयर लाइन्स में क्या कर रहे हो? बहुत से अखबारों में हम पढ़ रहे हैं कि एयर लाइन्स को परमिशन नहीं मिलेगी, उसको नहीं मिलेगा, छोटी मोटी

किसी को भी परमिशन मिल जाएगी। हम इस मिनिस्टरी में हरेक बात को डिले कर रहे हैं। तो क्या हम डिले ही करते रहेंगे या ऐसी कोई पॉलिसी बनाएंगे जिससे ट्रेवलिंग पब्लिक को थोड़ी राहत मिल सके? इनफ्रास्ट्रक्चर डेवलपमेंट में प्वाइंट ऑफ व्यू से भी यह जरूरी है। यह अब कोई लग्जरी नहीं रह गया है, लोगों को जल्दी से जल्दी जाना पड़ता है — चाहे वह कोई भी हो, चाहे पालीटीशियन हो, बिजिनसमैन हो, ब्यूरोक्रेट हो, चाहे फ्लड आया हो, आग लगी हो, कुछ भी हो। इसलिए ज्यादा से ज्यादा सीटें कंट्री में मिले, इसके लिए आप किस तरह से करेंगे? नयी एयरलाइन्स ज्यादा से ज्यादा किस तरह से करेंगे? नयी एयरलाइन्स ज्यादा से ज्यादा आएँ कंपीटीशन बढ़े, कम दाम में हमारी ट्रेवलिंग पब्लिक को सीटे मिलें, उसके लिए आप क्या कर रहे हैं?

SHRI ANANTH KUMAR: Sir, this supplementary does not pertain to the main question. But I understand the concern of the hon. Member. Recently, the Aircraft Acquisition Committee has given its nod to acquire nearly 30 aircraft. This is No.1. Secondly, we are thinking of giving a nod to acquire nearly 22 smaller aircraft of 50 seats so that our sub-regional aviation can get strengthened. And whatever proposals are there for starting new private airlines, they are before the Ministry. We have come out with a policy guideline on direct and indirect foreign investment. It was made on 12th June and things are being processed.

श्री वेद प्रकाश गोयल: महोदय, जैसा माननीय मंत्री ने कहा है कि परमानेंट इन्वलाइटीज एनआरआई नहीं लिये जायेंगे, तो क्या केजुअल लिये जाएंगे? और अगर लिये जायेंगे तो उसका क्राइटेरिया क्या होगा, कितने होंगे। उसके प्रिविलेजेज क्या होंगे, इस पर प्रकाश डालें।

SHRI ANANTH KUMAR: Actually, this appointment of permanent NRI invitees on the Joint Board was an exception. It had not been done earlier. It was okayed during this last period. This decision was reconsidered in PMO and it was withdrawn.

Regarding calling the special invitees to Board meetings, there is a provision in the Memorandum of Articles of Air India

and Indian Airlines that whenever the situation merits and the confidentiality is taken care of, such special invitees can be called to individual Board meetings so as to get the benefit of their expertise.

SHRI JOHN F. FERNANDES: Sir, the Minister is talking about the Joint Board of Air India and Indian Airlines. We have observed in the past that the management is hardly represented on this Board. As a matter of fact, no decisions are taken in the interests of the Corporation or the company. On the contrary, you appoint NRIs and non-official members who are mostly defeated politicians. As a result, the working of the management is not taken care of at all in such Board meetings.

There was a working committee which had recommended that at least 50 per cent of the representation on the Board should be of the management of Air India and Indian Airlines. It has not been adhered to by the Government because it has only been trying to please politicians.

I would like to know from the hon. Minister whether he will take a decision to see to it that at least 51 per cent of these Directors on the Board represent the management and they take care of the interests of the management rather than the interests of these other sections who have no interest in the organisation.

SHRI ANANTH KUMAR: Sir, though the supplementary does not pertain to the main question

.....(Interruptions) The question was specifically regarding the special invitees on the Joint Board of Air India and

Indian Airlines .....(Interruptions) I had already stated that that decision had already been reversed. And whatever members are there on the Board, they are there with the mandate of the law, the Memorandum of Articles. We have appointed the Kelkar Committee on the restructuring of Air India. Once we get the report of the Kelkar Committee, which we may get very shortly

.....(Interruptions)

**SHRI MD. SALIM:** *What is this? The Kelkar Committee report is already with the Government. (Interruptions)*

**SHRI JOHN F. FERNANDES:** Sir, that report is with the Government. It has been sent to the Finance Ministry for sanction of Rs. 200 crores. You are not giving that amount. On the contrary, you are suggesting the closing down of Indian Airlines so as to help the private airlines. You check your facts, please.

**SHRI ANANTH KUMAR:** Mr. Chairman, Sir, there are two Kelkar Committees. I understand the confusion amongst our beloved colleagues. One Committee's report is already with the Government, regarding the restructuring of Indian Airlines. That report is under the consideration of the Government of India. The second Committee is looking into the restructuring of Air India. Its report has not yet been submitted. That will be taken note of.

**श्रीमती सरोज दुबे:** सभापति महोदय, बोर्ड आफ मैनेजमेंट का काम होता है अपने विभाग को सलाह देना। पिछले बोर्ड ऑफ मैनेजमेंट ने एक बहुत ही सहयोगपूर्ण वातावरण में अपने विभाग एयर इंडिया और इंडियन एयरलाइन्स को सलाह दी थी। इसमें एनआरआई के तीन मेम्बर आये थे क्योंकि मैं खुद उस बोर्ड आफ डायरेक्टर की मेम्बर थी। इंडियन एयरलाइन्स और एयर इंडिया केवल डोमेस्टिक सर्विस ही नहीं करते, ये बाहर भी जाते हैं। हमारी जो बाहर फ्लाइट्स जाती है उनमें क्या सुधार होना चाहिए, क्या उसमें और सजेशन आने चाहिए.....

**MR. CHAIRMAN:** This question doesn't arise now.

**श्रीमती सरोज दुबे:** हम बता रहे हैं कि इनको रखना कोई खराब बात नहीं थी। माननीय मंत्री जी से मैं पूछना चाहती हूँ कि भविष्य में एनआरआई को रखना चाहेंगे कि नहीं रकना चाहेंगे? क्योंकि उनकी बहुमूल्य राय से एयर इंडिया और इंडियन एयरलाइन्स के बोर्ड आफ मैनेजमेंट को फायदा होने वाला है। ये जवाब दे कि एनआरआई को रखना आवश्यक है कि नहीं?

**SHRI ANANTH KUMAR:** Sir, both the former Prime Ministers, hon. Deve Gowdaji and Inder Kumar Gujralji, were of the view that we should not be

appointing NRIs as permanent invitees on the board of both, the Indian Airlines and the Air India. Actually, the first Prime Minister of the U.P. Government, Mr. Deve Gowda, within a week of the proposal had said that it should be reviewed and that we should not be proceeding on that line. Later, Gujralji had indicated to the Ministry that it was not in the interest of the joint board.

**SHRI CM. IBRAHIM:** I am sorry, being a former Civil Aviation Minister, I did not speak for four months and I did not want to speak. What the Minister has said, "The previous Prime Minister was against it" is not correct. This is number one. Number two, I want to know from the hon. Minister whether three NRIs were appointed on the advice of the local ambassadors and whether there were any adverse remarks from the Law Ministry against them. Today the Indian Airlines is dependent only on the revenue not from the domestic operations but from the Gulf operation, the Calicut airport alone is earning a hundred crores of rupees for the Indian Airlines. If there were no Gulf operations, Indian Airlines would have been closed down by now. Now they have removed it and it is a political decision, I do not want to question it. It is for you to keep it or remove it. While removing those who have served the cause of the Airlines, you should have given some reason. No reason has been given. The interests of the Airlines should not suffer. We should not politicise it. We will extend whatever help is required. With regard to the views of Gujralji or the views of Deve Gowdaji it is on the file. I also do not want to go into the details of why the previous Secretary of Civil Aviation is not there today. But, I request once again to take the participation of the NRIs in that. Just because they are NRIs, it does not mean that they are anti Indians. Thousands of crores of rupees are coming as foreign exchange. Indian Airlines alone is getting a minimum of hundred crores of rupees from the Gulf sector.

SHRI ANANTH KUMAR: Sir, the idea of making them permanent invitees on the joint board was conceived by my predecessor, hon. Ibrahimji.

श्री रमाशंकर कौशिक: श्रीमन्, यह जवाब अपने आप में ही गलत है। किस प्राइम मिनिस्टर ने क्या कहा, किसी मिनिस्टर ने क्या कहा। सरकार की कन्टिनुएटी होती है। ऐसा जवाब मंत्री जी को नहीं देना चाहिए।

SHRI ANANTH KUMAR: I am coming to it. On 28.3.97, the then Prime Minister approved it. But, on 4.4.97—I want to keep the record straight—we received from the Cabinet Secretariat as regards appointment of permanent invitees to the board. The matter was resubmitted to the Prime Minister. He decided that this idea may be dropped. ....(Interruptions)

SHRI CM. IBRAHIM: On 4.4.97, where was Deve Gowdaji? (Interruptions) Deve Gowdaji was not there.

SHRI ANANTH KUMAR: On that, I stand corrected .....(Interruptions)

Mr. CHAIRMAN: He stands corrected.....(Interruptions)

SHRI ANANTH KUMAR: Again, the then Prime Minister had cautioned against foreigners, whose background may not be fully known to the Ministry, being invited to attend meetings of the Board of Directors of Indian Airlines and Air India. The Secretary, Ministry of Civil Aviation may please take necessary action in the matter.....(Interruptions)

MR. CHAIRMAN: Let him complete. .... (Interruptions)

श्री जलालुद्दीन अंसारी: ये कई बार जो इसको पढ़ रहे हैं, इसकी क्या जरूरत है? ...व्यवधान...

SHRI .MD. SALIM: What is the view of the present Government?

SHRI ANANTH KUMAR: The view of the present Government is ..... (Interruptions)

MR. CHAIRMAN: Let him complete. ....(Interruptions)

SHRI ANANTH KUMAR: Sir, I can defend myself ..... (Interruptions) The view of the present Government is very clear and we have reversed that decision. .... (Interruptions)

SHRI JALALUDIN ANSARI: What is the reasons behind it? क्या कारण है जिससे आपने बदला, इस कारण को सदन को आप बताएं। किन कारणों से बदला, यर सदन को बताएं।

شری جلال الدین انصاری: کیا کارن ہے جس سے آپ

نے بدلا-اس کارن کو سدن کو آپ بتائین کارنوں سے

بدلا-یہ سدن کو بتائیں

SHRI ANANTH KUMAR: If you want to continue a discussion on this sensitive issue, I would like to submit that (Interruptions) I am ready to place the file on the Table (Interruptions)... Sir, I am ready to table the file .....(Interruptions)...

SHRI MD. SALIM: Firstly, he says that it is a sensitive issue. He has said so in his reply .....(Interruptions) Secondly, it pertains to a decision taken by the previous Government. Thirdly, he is quoting some file notings recorded by the previous Prime Ministers. He must authenticate it and place it before the House. The House has every right to know.

SHRI ANANTH KUMAR: Sir, not only do I place it on the Table of the House, I would also like to submit that these three appointments had no legal sanction and we will conduct an inquiry into it ..... We will institute an inquiry .....(Interruptions)

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†[ ]Transliteration in Arabic Script

SHRI C.M. IBRAHIM: Sir, I welcome it .....*(Interruptions)* I was keeping quiet. Let the file be submitted to you. If the Law Department and the concerned Ambassadors have not cleared these names, I would like to know whether this has been brought to the notice of the present Prime Minister. Mr Minister, I think you do not know the whole matter. Please go through it once again. You should study the whole thing as to how the appointments were made, as to how the respective Ambassadors sent the names, as to what their reply was as to what the suggestion of the Law Ministry was and as to what the Law Ministry said. After taking into consideration all these things, these three names were approved. Sir, I would like to submit that for the first time not even a single politician was appointed on the Board of Indian Airlines and Air India. The whole Board was constituted as per the list submitted by the previous Civil Aviation Secretary and not even a single politician was appointed on the Board except one, namely, Shrimati Saroj Dubey because we wanted to have a lady representative on the Board. As there was no lady representative on the Board, she was appointed as a member on the Board. Except her, all other members were bureaucrats.....*(Interruptions)* ...So, I will again request.....*(Interruptions)*...

SHRI TRILOKI NATH CHATURVEDI: Sir, I want to submit something .....*(Interruptions)*...

MR. CHAIRMAN: I will call you .....*(Interruptions)* I will call you .....*(Interruptions)*

SHRI MD. SALIM: Sir, three or four Members should go into the details of this matter and report back to you and to the House because the Minister has already agreed that he would place the file before the House. Sir, the Minister has said that they have reversed the earlier decision. This has been done without any reason. So, they should not constitute a committee. The House should constitute a Committee. ...*(Interruptions)*...

SHRI TRILOKI NATH CHATURVEDI: Sir, you yourself have given a ruling when the lady Member put a supplementary that that supplementry was not relevant. Before putting a supplementary, she tried to justify the decision taken earlier. Mr. Kaushik is quite correct and I agree with him that a reference to...*(Interruptions)*...

MR. CHAIRMAN: Let him complete...*(Interruptions)*...

SHRI TRILOKI NATH CHATURVEDI: Any reference to the notings on the file should not have been made. But, the hon. Minister was forced to mention the name of the former Prime Minister because it was said that the earlier decision was justified and the decision taken now is not very correct. If the Member had heeded to what you said that this supplementary did not arise out of this, this kind of a situation would not have arisen...*(Interruptions)*...

MR. CHAIRMAN: Let one Member speak at a time....*(Interruptions)*..\*

SHRI GURUDAS DAS GUPTA: Sir, I would like to submit that there is no need for creating a pandemonium. I request you to consult the Rules Book.

MR. CHAIRMAN: All right.

MR. GURUDAS DAS GUPA: So, Sir, I am putting a supplementary.. ..*(Interruptions)*...

SHRI JANARDHANA POOJARY: Sir, I have only one point clarification...*(Interruptions)*... Sir, you are the Chairman of this august House. The Minister has been saying that the supplementaries put are not relevant. Now and again he is repeating that. One hon. Member has also just pointed out that the supplementaries are not related to the main question. Now, are you a decision-maker or are you going to give a reply or is the hon. Minister going to give a reply or can the hon. Members say that it is not relevant? Sir, this is one type of preventing Members from putting questions. Two hon. members have not put relevant questions. One is, Smt. Saroj

Dubey and the other is the former Minister of Civil Aviation. Answers have not come. It is for you to enlighten us whether they have to give a reply or whether the hon. Minister has to give a clear reply. It is for you to decide... *(Interruptions)*...

SHRI TRILOKI NAH CHATURVEDI: Sir, the hon. Minister has given a clear reply... *(Interruptions)*...

MR. CHAIRMAN: He has given a clear reply... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Sir, may I put my supplementary? ... *(Interruptions)*...

MR. CHAIRMAN: Now, let us go to the next question. Question Number 383.. *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Sir, you have called me... *(Interruptions)*... Just one minute... *(Interruptions)*... Allow me to put my supplementary ... *(Interruptions)*... Sir, you have called me... *(interruptions)*...

MR. CHAIRMAN: please, one by one.... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Sir, my supplementary is this. This is an unprecedented situation. I have been in this House for a pretty long time. I have never seen any hon. Minister, while replying to a question, digging a grave the way it is being done now. Therefore, many things are coming out from the cupboards. There are too many skeletons. The point, therefore, is, in view of the reply given by the hon. Minister that the former Prime Ministers were, or the former Prime Minister was, of the view that such a decision was not taken and in view of the fact that the former Minister looking after Civil Aviation is taking a different position, will the hon. Minister agree for the setting up of a House Committee to look into the whole matter, since the hon. Minister has said that he will institute an enquiry? so, let the enquiry be done not

by bureaucrats of his own choice to give a predetermined report but by a House Committee to be set up by the hon. Chairman to look into it. Sir, let him respond to this... *(Interruptions)*... Please, let him respond... *(Interruptions)*...

SHRI ANANTH KUMAR: Hon. Sir, the Ministry has a responsibility to discharge its functions. Therefore, we have accepted this since there is a digression from the procedure in this regard. There are two types of perceptions from both the former Prime Ministers as well as from the former Civil Aviation Minister and, of course, there is a recommendation letter of ambassador. We have also got an opinion from the Directorate of Company Affairs. Therefore, all these things are there. Therefore, I am ready for a departmental enquiry to look into this... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Why should there be a departmental enquiry? There should be a House Committee... *(Interruptions)*...

SHRI JOHN F. FERNANDES: Yes, Sir. A House Committee should be appointed... *(Interruptions)*... We will not agree for a departmental enquiry... *(interruptions)*...

SHRI ANANTH KUMAR: Sir, I do not agree... *(Interruptions)*... Sir, I do not agree with the view of hon. Gurudas Das Gupta that all departmental enquiries will be prejudicial. ... *(Interruptions)*... The entire enquiry procedure in the country itself will get bogged down. Therefore, what is immediately required is a departmental enquiry and for which I am ready... *(Interruptions)*...

MR. CHAIRMAN: Please, sit down... *(Interruptions)*... Please, sit down... *(Interruptions)*...

SHRI GURUDAS DAS GUPTA: Sir, we want a direction from the Chair. Since, the hon. Minister is not adverse to the view of having an enquiry done, you kindly direct him that there should be an enquiry by a House Committee... *(Interruptions)*...

SHRI TRILOKI NATH CHATURVEDI: All that the hon. Minister has said, is in the discharge of his obligations as a Minister, he will have a departmental enquiry done. So far as the House is concerned, it is supreme. The Hon. Minister has only said and that was only his commitment that in view of all that has happened and since there are certain doubts, his Ministry will conduct an enquiry into the circumstances under which the N.R.Is. were appointed. ... (Interruptions)... Yes... (Interruptions) ...No, no. ..(Interruptions). ..The matter can be raised in the House at appropriate time... (interruptions)..:

MR. CHAIRMAN: Please sit down. Why are you getting angry?

SHRI NILOTPAL BASU: Sir, I wanted to ask a specific point. ... (Interruptions)... I wanted to ask a specific clarification. Sir, the entire issue has arisen out of the Question, which is the property of the House. Secondly, he has quoted profusely. He has not just made up the answer. He has quoted profusely from the notings on a file. And he has agreed for an inquiry because of the questions raised in the House. So, in the fitness of things you have to decide whether the enquiry should be conducted by a committee constituted by this House or by a committee constituted by the Ministry, in being fair to the difference of perceptions that are there, to which he himself has again agreed. This is up to you, Sir. ... (Interruptions)...

SHRI ANANTH KUMAR: Sir, I have not quoted. I have referred. ... (Interruptions). ..Sir, I have not quoted profusely because the relevant files are not here... (Interruptions)... Therefore, I want to stand clarified.... (Interruptions)...

MR. CHAIRMAN: The question basically is, he says that he has not quoted profusely. I think, the way he referred to certain notings of the Cabinet Secretariat means that he was saying something, which was official, and which

in the normal course is not said.. Now I would say, since he is saying that he will have a departmental enquiry. ... (Interruptions)... please, let me speak—I hope if he can complete the departmental inquiry within the course of this session and report the findings, then we should consider it.

SHRI ANANTH KUMAR: Sir, I agree to it... (Interruptions)...

MR. CHAIRMAN: Now, I have given my ruling.... (Interruptions)... Please sit down.... (Interruptions)... Please sit down. I have given my ruling and no questions on that. ... (Interruptions)... 'So questions on my ruling.... (Interruptions)... No questions on my ruling.... (Interruptions)... He will report to the House and then we shall see to it.

Now, question No. 383, Shri Dilip Singh Judev.

#### मध्य प्रदेश में विमानपत्तनों से राजस्व प्राप्ति

\*383. श्री दिलीप जूदेव: क्या नागर निमानन मंत्री यह बताने की कृपा करेंगे कि:

(क) सरकारह तथा भारतीय राष्ट्रीय विमानपत्तनों से कितना राजस्व प्राप्त होता है,

(ख) राज्य से इंडियन एयरलाइंस तथा निजी एयरलाइनों द्वारा प्रति वर्ष कितनी उड़ानों की जा रही हैं और इनमें विमान यात्रियों का औसत प्रतिशत कितना है,

(घ) क्या मध्य प्रदेश विमान सेवाओं के मामले में अन्य राज्यों से अभी भी पिछड़ा हुआ है और यह सर्वाधिक उपेक्षित राज्य है, और

(घ) क्या वर्ष 1998-99 के दौरान राज्य के विमान पत्तनों को लम्बी दूरी की विमान सेवाओं से जोड़ने का कोई प्रस्ताव है, यदि हां, तो ऐसी सेवाएं कब तक प्रारंभ किये जाने की संभावना है?

नगर विमानन मंत्री (श्री अनंत कुमार): (क) से (घ) एक विवरण सदन के पटल पर रखा गया है।